



EXHIBIT 3  
DATE Feb 4, 2011  
HB 316

118 E. Seventh St., Suite 2A Anaconda, MT 59711  
ph: 406.563.5259 fx: 406.563.5476  
<http://www.medamembers.org>

*MEDA represents over 230 members who are actively involved in local economic activity, community development, job retention and job creation for Montana.*

February 4, 2011

TO: **Walter McNutt, Chair, and the House Joint Appropriations Subcommittee on Long Range Planning**

RE: **HB316 Redistribute Certain Revenue and Income to State General Fund**

Montana Economic Developers Association (MEDA) stands in opposition to HB316. Transferring a portion of the corpus of the Big Sky Economic Development Fund, the Treasure State Endowment Fund and revising the allocation of Coal Severance Taxes is not in the best interest to Montana's economy.

It should be noted that all of these programs were extensively reviewed by the 2009 Legislature which determined that each of them made a critical contribution to Montana's continued economic growth. Each of these programs was funded by the 2009 Session and they were extended through 2019. Revisiting them at this time as we focus on job creation and business expansion seems contradictory. In addition to reducing funds available for planning and infrastructure projects, the changes proposed in HB316 would critically impact key economic development programs and tools that businesses across the state depend on for support including:

- Montana Cooperative Development Center
- Small Business Development Centers
- Montana Manufacturing Extension Center
- Research and Commercialization
- MT Growth through Agriculture
- Small Business Innovative Research
- Montana Export Trade Enhancement
- Certified Regional Development Corporations

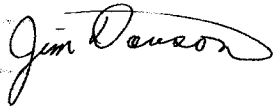
The Big Sky Economic Development Fund, Treasure State Endowment Fund (TSEP) and the eight programs listed above all generate millions of dollars in match and leveraged funds for Montana's economy. TSEP funding alone, along with other investments, were responsible for the completion of more than \$142,201,854 in projects. A one page guide listing the impact of key economic programs is attached.

Montana cannot afford to lose millions of dollars in infrastructure and program match funding which translates into quality jobs for Montana's residents. As our state is facing unacceptably high unemployment rates as the result of tough economic times now is not the time to reduce tools that provide continued growth for Montana's economy.

Signed,

JOIN US AT <http://www.medamembers.org>

BOARD OF DIRECTORS: JIM DAVISON, PRESIDENT, ANACONDA \* TERRY MYHRE, VICE PRESIDENT, HELENA \*  
\* LARRY MIRES, TREASURER, GLASGOW \* RICK EDWARDS, PAST PRESIDENT, BUTTE \* GLORIA O'ROURKE, SECRETARY \*  
\* BRIAN GION, GREAT FALLS \* JIM ATCHISON, COLSTRIP \* JIM SMITHAM, BUTTE \* MARIA VALANDRA, GREAT FALLS \*  
\* LESLIE MESSER, SIDNEY \* ANNE BOOTHE, MALTA \* JASON RITTAL, MILES CITY \* TRACY MCINTYRE, EUREKA  
\* ANDY POOLE, HELENA \* KELLIE DANIELSON, KALISPELL \* KATHIE BAILEY, LEWISTOWN \* PAUL TUSS, HAVRE \*  
STUART LEIDNER, BOZEMAN \* STEVE ARVESHOU, BILLINGS \* KEN RICHARDSON, MISSOULA \*



Jim Davison  
MEDA President



Larry Mires  
St. Mary's Rehabilitation Project



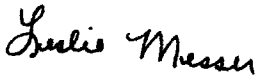
Rick Edwards  
MEDA Legislative Committee Chair



Terry Myhre  
Montana Business Assistance Connection



Tony Sitzmann  
Sweetgrass Development Corp.



Leslie Messer  
Richland Economic Development



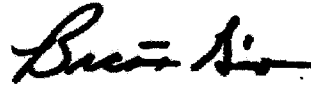
Steve Arveschoug  
Big Sky EDA



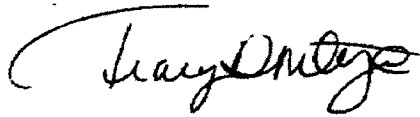
Paul Tuss  
Bear Paw Development



Dick King  
Missoula Area Economic Development



Brian Gion  
Montana Cooperative Development Center



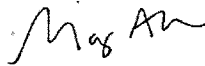
Tracy McIntyre  
Eureka Rural Development Partners



Jim Atchison  
Southeastern Montana Development Corp.



Chris Holland  
Two Rivers Economic Growth



Marcy Allen  
Bitterroot Economic Development District